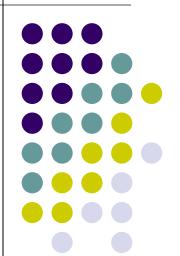
Implications of Healthcare Reform for Local Communities

What can local communities be doing?

Harvey Licht Varela Consulting Group April 28, 2011



Session Agenda



- Types of local response
- PPACA Provisions
- Local responses to Health Care Reform Issues
- Why rural areas are important in Health Care Reform

PPACA Provisions



- Health Care Coverage Provisions
- Health System Innovation Provisions
- Public Health Provisions
- Health Workforce Provisions
- Health Safety Net Provisions

Types of Local Response



- **Practice Response**: potential steps to be taken by private practices in the community.
- <u>Safety Net Response</u>: potential steps to be taken by community health centers, rural health clinics, public health offices and other public and nonprofit outpatient agencies and programs.
- <u>Facility Response</u>: potential steps to be taken by local hospital or other key health facilities.
- <u>Community Response</u>: potential steps to be taken by local leadership, civic and business groups.

Issue: Expansion of Coverage



Community/Safety Net Response

- Provide <u>information and links</u> to statewide resources for uninsured local residents. [*]
- Provide information on <u>plans offered</u>, <u>subsidies offered</u>, and <u>mandates/incentive</u>s. [*]
- Provide <u>advice and counseling</u> to uninsured and to local employers. [*]

Practice/Safety Net/Facility Response

 Negotiate <u>participation agreements</u> with all plans covering local population. [*]

Issue: Shortage of Primary Care Providers



Practice/Safety Net Response

- Re-engineer the primary care encounter.
- Increase use of non-physician providers.
- Increase use of Federal/State incentive program. [*]
- Provide retention incentives.
- Provide compensation guarantees.
- Conduct periodic compensation reviews/adjustments.
- Serve as a field training site for primary care providers. [*]

Facility Response

- Provide hospitalist support to primary care practices.
- Provide financial support to primary care practices. Note Stark issues.

Community Response

Conduct community-wide recruitment.

Issue: Increased Professional Education Indebtedness



- Practice/Safety Net/Facility Response
 - Participate in public loan repayment programs. [*]
 - Establish separate loan repayment benefit system.
- Community Response
 - Establish Community Loan Repayment Program. [*]

Issue: Outcome Oriented Care



Practice/Safety Net/Facility Response

- Establish <u>primary care home</u> model and participate in demonstration project. [*]
- Negotiate participation in regional <u>accountable care organization</u> demonstration project. [*]
- Negotiate establishment of <u>bundled care</u> networks. [*]

Community Response

 Develop coordinated <u>chronic condition prevention and care</u> <u>management programs</u> for key conditions [diabetes, asthma, hypertension]. [*]

Strengths of Rural Projects in Health Care Reform



Basic Message:

The relatively small scale of systems in rural areas make them a
microcosm of what might be accomplished in larger communities and
an excellent test bed for health system innovation.

Low Overall Project Cost – High Cost-Effectiveness:

 The relatively small cost of health projects in rural communities can attractive investments for Federal funders. The relatively large impact in the target community makes cost-effective investments.

Health System-Wide Interventions:

 With a relatively small number of healthcare providers, health projects can be system-wide.

Rural Projects and Health Care Reform [con't]



Population-Wide Intervention:

• The relatively small size of the target area permits the health project to serve a relatively high percentage of the target population.

Population-Wide Impact:

 With population-wide intervention comes the ability to assess the population-wide impact of the health system innovation.

Model for System-Wide Change in Larger Communities:

• **S**mall health system improvements require the same mechanisms as large ones. Rural communities are excellent places to prototype health systems improvements.